



CONNECTICUT
SITING COUNCIL

STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL

CONNECTICUT SITING COUNCIL REVIEW : DOCKET NO.: F-2009
OF THE TEN-YEAR FORECAST OF :
CONNECTICUT ELECTRIC LOADS AND :
RESOURCES : JUNE 25, 2009

AES THAMES, LLC'S RESPONSES TO
INTERROGATORIES OF THE CEAB

AES Thames, LLC ("AES Thames") hereby files this response to the Interrogatories directed to AES Thames received from the Connecticut Energy Advisory Board ("CEAB") dated June 11, 2009.

CEAB NO. 35:

Please indicate which of your Company's existing and planned facilities cleared in the first FCM 2 auction including the amount in MW that cleared for each unit.

RESPONSE: AES Thames is a Qualifying Facility (QF) as set forth by the Federal Energy Regulatory Commission (FERC). QFs are exempt from many statutory and regulatory requirements of the Federal Power Act (FPA) and the Public Utility Holding Company Act of 1935 (PUHCA). As a QF, we are entitled to have a long-term power purchase agreement (PPA) with Connecticut Light & Power (CL&P), which allows the facility to operate independently from the merchant power marketing systems. AES Thames' existing PPA termination date with CL&P is March 5, 2015. Therefore, AES Thames has not participated in the FCM auction process.

CEAB NO. 36:

Please provide your Company's estimate for planning processes of the on-going annual revenue level required for continued operation of each facility. Please indicate whether your Company believes the ISO-NE's FCM auctions will provide sufficient capacity revenues.

RESPONSE: AES Thames is operating under the terms and conditions of a PPA and is currently obligated to provide power through the end of the PPA (March, 2015).

AES Thames has no direct involvement with the FCM.

CEAB NO. 37:

Please indicate for each of your existing facilities assuming that there will be no RMR agreements after 2010:

- i. The anticipated retirement date, if applicable, in the 2009-2018 Time period;
- ii. The impact of increased emission control, specifically reducing by 20% and then a total of 50% of the allowable NOx emissions on a BTU basis, on equipment investment and economic retirement decisions.

RESPONSE: In response to part i., AES Thames does not anticipate retirement in the 2009-2018 time period. In response to part ii., AES Thames utilizes circulating fluidized bed (CFB) clean-coal technology. A key advantage of CFB technology is that pollution control is built right into the combustion process. By adding limestone into the CFB, SOx is captured and removed right at the point where it is formed as the fuel burns. The CFB's low combustion temperature (about 1,000oF less than a conventional Pulverized Coal Unit's combustion temperature) minimizes NOx formulation. AES Thames already operates at 50% of its permitted emission limit of 0.15 lb/mmBtu. If necessary, although not anticipated, NOx can be further reduced by ammonia injection.

CEAB NO. 38:

Please comment on CL&P's reference on pp. 3 (and 18) of their 2009 Filing regarding the "1,267 MW of oil-only fired generation that may likely retire" in Connecticut, as assumed in the 2009 IRP.

RESPONSE: The reference on pp. 3 starts off with the statement; "Connecticut faces the potential retirement of some older generating plants." AES Thames is of the opinion that older oil-fired generation probably does not operate very often (low capacity factor), and when it does, generates electricity in a very inefficient manor (high heat rate) with large

amounts of pollutants (NOx and PM). AES Thames also assumes that the repowering of these facilities has been evaluated and is not a better option when compared to new generation.

CEAB NO. 39:

Please provide the type of fuel used at each unit reported in Docket No. F-2009 as well as the amount of fuel consumed at each unit for the most recent year, and for the previous 4 years if available, corresponding to energy generation in MWh reported in Docket F-2009.

RESPONSE:

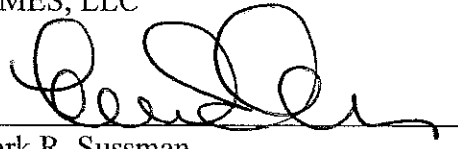
<u>Year</u>	<u>Fuel Type</u>	<u>Unit 1 (TPY)</u>	<u>Unit 2 (TPY)</u>	<u>Energy,MWh (total facility, net)</u>
2004	Bituminous Coal	345,770	323,870	1,567,601
2005	Bituminous Coal	292,695	277,460	1,256,178
2006	Bituminous Coal	322,734	342,771	1,445,155
2007	Bituminous Coal	318,492	313,675	1,399,560
2008	Bituminous Coal	336,394	331,134	1,527,878

INTERROGATORY RESPONSES PREPARED BY: Andrew Walz, AES Thames, LLC

Respectfully Submitted,

AES THAMES, LLC

By


Mark R. Sussman
Loni S. Gardner
Murtha Cullina LLP
CityPlace I, 29th Floor
185 Asylum Street
Hartford, Connecticut 06103-3469
Telephone: (860) 240-6000
Its Attorneys